

GOVERNMENT OF TELANGANA

ABSTRACT

RWS&S- Telangana Drinking Water Supply Project (Mission Bhagiratha) - Telangana Drinking Water Supply Corporation borrowing loan from HUDCO in three (3) segments with an estimated amount of Rs.2250.00 Crores for the year 2016-17 - Permission – Accorded- Orders- Issued.

PANCHAYAT RAJ AND RURAL DEVELOPMENT (RWS-IV) DEPARTMENT

G.O.RT.No. 610

Dated: 07-09-2016

Read the following:-

1. G.O.Ms.No.17, PR&RD (RWS) Dept., dt.30.1.2015 & G.O.Ms.No.43, PR&RD (RWS-IV) Dept.,dt.15.05.2015.
- 2.From the Regional Chief, HUDCO, Hyderabad, Lr.No.HUDCO/HRO /TDWSCL /SCH No.21030/2016/505, dt.01.9.2016
3. From the ENC, RWS&S, Hyd., Lr.No.A2/TDWSP/ HUDCO/Phase-II/2016 dt:02.09.2016
- 4.From the Regional Chief, HUDCO, Hyderabad, Lr.No.HUDCO /HRO/TDWSCL /21030/2016, dt.07.9.2016

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ORDER:-

In G.O. 1st read above, orders have been issued constituting the Telangana Drinking Water Supply Corporation (TDWSC) to execute and maintain the Telangana Drinking Water Supply Project (Mission Bhagiratha).

2. In the reference 2nd read above, the Regional Chief, HUDCO, Hyderabad, while enclosing the terms and conditions applicable to obtain loan from HUDCO for Telangana Drinking Water Supply Corporation in three segments in Mahabubnagar, Nalgonda and Warngal Districts has stated that HUDCO has agreed to sanction a loan of Rs.2250.00 crores.

3. In the ref 3rd read above, the Engineer-in-Chief, RWS&S, Hyderabad has stated that the proposals for the three segments (1) Providing Drinking Water to Habitations in Gadwal and Alampur Constituencies from Jurala project in Mahabubnagar district with an estimated amount of Rs.700.00 Crores, (2) Providing water supply to 4 constituencies with tail pond (Krishna River) as a source in Nalgonda district with an estimated amount of Rs.1485.00 Crores, and (3) Providing Drinking water to habitations in HMWSSB Segment in Warangal district with an estimated amount of Rs.840.00 Crores were submitted to HUDCO for sanction of loan. He has further stated that, HUDCO have sanctioned a loan amount Rs. 2250.00 crores. Further, HUDCO also included terms and conditions in their letter 2nd read above. The ENC, has further stated that the estimated cost of the above three segments is Rs. 3025.00 crores which were administratively sanctioned by the Government. Out of the above total sanctioned amount, project cost worth Rs.2500.00 crores excluding Taxes and other than work provisions of Rs. 525.00 crores were submitted to HUDCO for sanction. Out of the proposed project cost Rs. 2500 crores the loan component is Rs. 2250.00 crores. Thus, the margin money of Rs.250.00 crores and Rs.525.00 crores towards other than work components (such as taxes, A&S charges and contingencies) shall be borne by the Government of Telangana through budget provision.

4. The Engineer-in-Chief, RWS&S, Hyderabad has requested the Government to examine the terms and conditions of HUDCO and sought for orders on the following points: (1). Acceptance of the loan sanctioned by HUDCO with terms conditions contained in the sanction letter including selecting the option of the interest, (2). Providing budgetary support for the balance project cost Rs. 775.00 crores, providing irrevocable Government guarantee for the loan amount and for the repayment covering principal and interest amount with budgetary support and (3). exemption of the guarantee commission of 2% for the entire loan period or to provide the necessary additional budget provision for making payment of Guarantee commission.

(PTO)

5. The Regional Chief, Hyderabad in his letter in the ref 4th read above has stated that HUDCO has revised its Fixed Rate of interest for the scheme from 10.15% to 9.95% from 2nd September, 2016 and there is no revision in Floating Rate applicable which remains at 10.25%.

6. Government after careful examination of the matter, hereby accord permission to the Managing Director, Telangana Drinking Water Supply Corporation to borrow the loan amount of Rs.2250.00 Crores (Rupees Two thousand Two hundred and Fifty crores only) out of the total project cost of Rs.3025.00 Crores (Rupees Three Thousand and Twenty Five Crores Only) from HUDCO for implementation of Mission Bhagiratha in three (3) segments i.e. (1) Providing Drinking Water to Habitation in Gadwal and Alampur Constituencies from Jurala project in Mahabubnagar district with an estimated amount of Rs.700.00 Crores (2) Providing water supply to 4 constituencies with tail pond (Krishna River) as a source in Nalgonda district with an estimated amount of Rs.1485.00 Crores and (3) Providing Drinking water to habitations in HMWSSB Segment in Warangal district with an estimated amount of Rs.840.00 Crores as per the terms and conditions of HUDCO with fixed interest rate of 9.95% with three year reset and budgetary support of Rs.775.00 crores, Govt. of Telangana will stand as guarantee for repayment of loan taken from HUDCO covering both principle and interest with Budgetary support for the entire repayment period.

5. The guarantee commission shall be paid at the rate of 2% consolidated for the entire guarantee period to State Government and the same shall be charged to the project cost from the savings available or project cost to be revised duly considering the guarantee commission. The TDWSCL shall remit the amount to Government to the following Head of Account: "0070 Other Administrative Services – 60. Other Services – MH 800. Other Receipts – SH 08 Commission for guarantee given by Government".

5. The Managing Director, Telangana Drinking Water Supply Corporation shall take necessary action in the matter accordingly.

6. This order issues with the concurrence of the Finance (DCM) Department vide their U.O.No.363/137/A1/DCM/2016, dt.6.9.2016.

7. This order is available on the internet and can be accessed at the address <http://www.goir.Telangana.gov.in>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

S.P. SINGH
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, Telangana Drinking Water Supply Corporation, Hyderabad.
The Director of Treasuries and Accounts, Telangana State, Hyderabad.
The Accountant General, Telangana State, Hyderabad.

Copy to:

The PS to Additional Secretary to Hon'ble Chief Minister
The PS to Chief Secretary.
The Finance (DCM) Department.
The PS to Special Chief Secretary PR&RD (RWS)
The Engineer -in-Chief, RWS&S, Hyderabad.
The HUDCO Regional Chief, Hyderabad.
The Advisor to Govt., RWS&S
SC/SF.

//FORWARDED::BY ORDER//

SECTION OFFICER